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EX PARTE OR LATE FILED

**USWEST**

Elridge A. Stafford  
Executive Director-  
Federal Regulatory

**RECEIVED**

**MAY 13 1999**

May, 13, 1999

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW, TW-A325  
Washington, D.C. 20554

RE: WT Docket No. 97-207, Calling Party Pays Service Option in the Commercial  
Mobile Radio Services

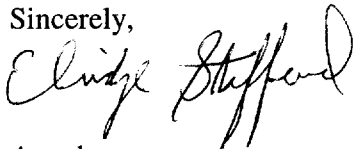
Dear Ms. Salas:

The attached material regarding calling party pays was discussed by the undersigned in a meeting on May 5, 1999 with Nancy Boocker, Joseph Levin, and David Siehl of the Wireless Telecommunications Bureau Policy Division. Although there are no ex parte or disclosure requirements applicable to this proceeding,<sup>1</sup> U S WEST wishes to include this letter and attachment in the record for the above referenced proceeding.

Accordingly, the original and one copy of this letter, with attachment, are being filed with your office. Acknowledgment and date of receipt of this transmittal is requested. A duplicate of this letter is included for this purpose.

Please contact me should you have any questions concerning this matter.

Sincerely,



Attachment

cc: Nancy Boocker  
Joseph Levin  
David Siehl

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<sup>1</sup> See paragraph 32, Notice of Inquiry, WT Docket No. 97-207, released October 23, 1998.

# U S WEST Communications

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Calling Party Pays

WT Docket No. 97-207

May 5, 1999

# Calling Party Pays - Background

- ◆ Developed by U S WEST in the mid-1980s.
- ◆ CPP is offered on a non-discriminatory basis.
- ◆ Designed to give CMRS operators an additional pricing option which permits incoming messages to be billed to the wireline originator of a call.
- ◆ Designed for cellular, PCS and paging markets.

# CPP - Product Description

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- ◆ U S WEST product is a billing and collection service which includes the following:
  - recording,
  - rating,
  - billing,
  - inquiry
  - collections.
- ◆ Rate billed to wireline originator is determined by the CMRS provider.

# CPP - Product Description

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- ◆ Includes recording and billing for wireline calls originated by U S WEST wireline subscribers within the same state and LATA as the customer of the CMRS operator.
- ◆ Requires a dedicated CPP NXX per CMRS service area.
- ◆ Utilizes a 1+10 digit dialing pattern to alert callers to additional charges (for either local or toll calls).

# Limitations of Current CPP Product

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- ◆ Cannot bill for certain calls (leakage)
  - Independent LEC carried
  - IXC carried
  - CLEC carried
  - Private payphone
  - U S WEST coin originated
  - Billed to a non-U S WEST calling card.

# CPP - Regulatory Environment

- ◆ Billing and collection products are detariffed on an interstate basis.
- ◆ CPP is generally subject to state oversight.
  - Unregulated in some states, regulated in others, and under flexible pricing plan in still others
  - State regulation may be via access service catalog, tariff and/or price list.

# CPP - Availability

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- ◆ CMRS operators purchase CPP from U S WEST in: Arizona, New Mexico, Colorado, Idaho, Nebraska, Utah, Iowa, and Washington.
- ◆ Unique preambles required in Utah and Washington.
- ◆ Unique call blocking product specific to CPP, that is not economically viable, required in Minnesota.
- ◆ U S WEST may deploy in other additional states upon specific request from a CMRS operator.



# CPP - Wireline AIN Based

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- ◆ Introduced a wireline AIN based CPP product in Washington.
  - Main attraction was the availability of a recorded preamble.
  - Unable to collect adequate billing detail on certain types of calls including operator handled and WATS originated calls.
  - Found wireline AIN was not designed to work well with end user billing services.

# CPP - Wireline AIN-Based Conclusions

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- ◆ It was not feasible to maintain an accurate database of wireless CPP customers on the wireline AIN platform.
- ◆ Logical place for such a database is in the wireless network.

# CPP - Wireline AIN-Based Conclusions

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- ◆ A wireline AIN-based approach for CPP is not a viable product for other markets because of the billing detail problems and the high cost of installing the preamble in multiple switches within a LATA.

# CPP is a Competitive Product

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- ◆ Other companies, including GTE and AT&T, offer their own versions of CPP.
- ◆ There are also billing vendors and clearinghouses that have developed their own unique products to assist with CPP.

# Evolving CPP, Reflecting Input from CMRS Operators

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- ◆ CMRS operators want to drive the cost of wireless service down.
- ◆ CMRS operators are becoming more sophisticated with their billing and network infrastructures.
- ◆ Want to offer unique services to their customers.
- ◆ Want to provide their products and services on a nationwide basis.
- ◆ CMRS operators want to avoid the limitations of dedicated CPP NXX codes and the revenue losses associated with leakage.

# Evolving CPP, Reflecting Input from CMRS Operators

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- ◆ CMRS operators can achieve these goals by:
  - Recording and rating the CPP calls themselves
  - Providing a preamble
  - Sending the unbillable calls to a special platform for credit card billing,
  - Using national clearinghouses to disperse billable messages (similar to procedures used today for roaming).

# Evolving CPP, Reflecting Input from CMRS Operators

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- ◆ U S WEST is currently enhancing its CPP wholesale product to be able to receive a CMRS rated billing file. (available mid-May, 1999).

# CPP - Conclusions

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- ◆ CPP, as offered by U S WEST, is a billing and collection service.
- ◆ Oversight for billing and collection services should be left to the states.
- ◆ CPP is a competitive product.
- ◆ Federal intervention could make obsolete existing CPP products and development work.



# CPP - Conclusions

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- ◆ It is not feasible to modify the wireline AIN network to achieve all of the capabilities desired by CMRS operators.
- ◆ CMRS operators can make CPP more viable by taking advantage of their own infrastructure. To achieve their desired capabilities, CMRS operators must play a larger role in the operation of this service.